

Here are the terms of the

Visa® Platinum

credit card offered by

Veridian Credit Union

Waterloo, IA.

Definitions:

In this disclosure:

The words *we*, *our*, and *us* mean Veridian Credit Union, Waterloo, IA. We are the *issuer* of this credit card. We are the ones giving you credit when you use the card.

The words *you* and *your* mean the person or persons we approve for participation in this credit card plan and to whom we issue a credit card.

A *billing cycle* or *cycle* is the period of time that we use to send you a statement of your account. These cycles are about a month, but vary from 28 to 33 days because of weekends and holidays.

A *cash advance* is a loan of money you may get through this credit card plan by, for example, obtaining cash at an ATM machine which accepts the card, getting a cash advance from us under this plan, or getting an advance on this plan from another financial institution.

A *credit purchase* is a purchase or lease of goods or services you make with a merchant who accepts this credit card as the method for payment. (We pay the merchant, and you owe us the money.) Most of the fees you may owe us for this card are treated as credit purchases as well. These will be shown on your statement.

The *payment date* is the date by which we must receive a payment from you (assuming you have a balance). The payment date for a cycle is 25 days after the last day of that cycle. This date will be shown on your statement.

Your *new balance* is an amount printed on your statement that is the total unpaid balance of credit purchases, cash advances, and charges as of the last day of that billing cycle.

You Accept This Agreement:

If we issue a credit card to you, and you sign it or use it, this disclosure becomes our agreement with you. You agree, as to any dispute between you and us, that the law of the state of Iowa will be used to control this agreement. Federal law also regulates some areas of this agreement as well.

Liability for Charges:

You agree to pay us for the credit purchases and cash advances you make under this credit card plan, plus the

finance and other charges listed. You also agree to pay us for any charges made by others if (for example):

- a. You allow someone else to use your card,
- b. We issue additional cards to members of your family at your request with your account number on them, or
- c. You are approved for credit with another person.

Please see sections titled *Your Billing Rights* and *If Your Credit Card Is Lost or Stolen* and *Examine Your Statement* below for more information on this issue.

Payments You Make:

When you make a payment, here is how it is applied:

- a. The payment will first be used to pay, in full, all finance charges you may owe us, that were still unpaid as of the close of the last billing cycle;
- b. The rest of your payment will be applied toward your unpaid principal in this order, purchase balance as of last statement, cash advance balance as of last statement, purchases this cycle, and finally, cash advances this cycle.

Security:

If you have given us a previous security interest that secures other loans with us, the collateral securing those other loans may also secure the credit you may obtain under this credit card plan. (This will not be true if the collateral is *household goods* as defined in the *FTC Credit Practices Rule*.)

If the collateral is your principal residence or real property (land), then such collateral will only secure this plan if those agreements specifically mention this plan.

Future agreements may secure this plan as well.

Credit Limit:

We will tell you your credit limit under this plan when the card is sent to you (if we have not already done so). It is your duty to stay within your credit limit and to keep others to whom you give access to the plan to do so as well. We are not responsible to you if we allow you to exceed your limit. You must still pay your balance.

If on some occasions we allow you credit of more than your limit, we may later refuse an advance or purchase that would cause you to go over your limit.

Finance Charges on Cash Advances:

We figure the finance charge on your cash advances by applying the *periodic rate* to the *average daily balance* of your cash advances. To get the *average daily balance*, we take the beginning cash advance balance each day (not including any unpaid finance charges), add any new advances made that day, and subtract any payments or credits received that day. This gives us the *daily balance*. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the *average*

daily balance. (This is referred to as *Method F* for cash advances.)

(*Note:* If we post a cash advance to your statement in the same cycle in which you make it, the cash advance will be added to your daily balance as of the day you got it. If we post a cash advance to your account in a later cycle than the one in which you made it, then the cash advance will be added to your daily balance on the first day of the cycle in which we first post it.)

Finance charges begin to accrue on cash advances on the day of the advance (unless the advance is posted in a later billing cycle, in which case finance charge begins to accrue on the first day of that billing cycle).

Full Payment: If you pay the entire new balance from your last cycle's statement on or before the payment date, then that payment will be treated as if it was made on the first day of the billing cycle. The effect is you will not pay finance charges during the cycle of full payment on your cash advance balance from the previous cycle.

Finance Charges on Credit Purchases:

We figure the finance charge on your credit purchases by applying the periodic rate to the *average daily balance* of credit purchases. To get the *average daily balance*, we take the beginning credit purchase balance each day (not including any unpaid finance charges), add any new credit purchases posted that day, and subtract any payments or credits received that day. This gives us the *daily balance*. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the *average daily balance*. (This is referred to as *Method G* for credit purchases.)

Finance charges begin to accrue on the day a credit purchase is posted to your account, unless you take advantage of the *grace period* mentioned next.

Grace Period for Full Payment: If you pay the entire new balance from your last cycle's statement on or before the payment date, then, during the billing cycle of full payment, no finance charge will accrue on the credit purchase balance from the previous cycle nor on any new credit purchases in the current cycle. This is a *25-day grace period* for your credit purchases. Remember, this only applies if you pay off the entire new balance (cash advances, credit purchases, and charges). A late fee of \$15.00 will be assessed 15 days after the due date. This late fee applies to VISA Platinum.

Change to Currency Conversion & International Transactions:

The fee we charge you for using your Visa®-branded debit/credit card (Card) in an international transaction has changed. Your continued use of the Card after the effective

date listed below acknowledges acceptance of these amended terms. The Currency Conversion section in the agreement between you and us is amended to read as follows:

Currency Conversion and International Transactions. When you use your Visa-branded debit/credit card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either:

- a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or
- the government-mandated rate in effect for the applicable central processing date.

The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

Visa USA charges us a .8% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, the International Service Assessment is 1% of the transaction. In either case, we pass this international transaction fee on to you. An international transaction is a transaction where the country of the merchant is outside the USA.

Visa® Platinum Additional Terms

Periodic Rate:

The periodic rate of

FINANCE CHARGE may vary per statement cycle (which is about a month). This rate applies to credit purchases and cash advances and corresponds to an ***ANNUAL PERCENTAGE RATE that is variable.***

Your Annual Percentage Rate may vary monthly, and will be determined by “tiered pricing.” Tiered pricing means that different borrowers are charged different rates depending on the borrower’s credit score.

The tier assignments are as follows:

If your Credit Score is...	Your Veridian Visa® Platinum Card’s APR is...	Your Veridian Visa® Platinum Reward Card’s APR is...
720 or higher	Prime Rate + 2.9%	Prime Rate + 3.9%
690-719	Prime Rate + 3.9%	Prime Rate + 4.9%
650-689	Prime Rate + 4.9%	Prime Rate + 6.9%
620-649	Prime Rate + 7.9%	Prime Rate + 9.9%
600-619	Prime Rate + 9.9%	Prime Rate + 11.9%
</=599	Prime Rate + 10.9%	Prime Rate + 12.9%

“You” and “Your” refers to any borrower, co-borrower and/or personal guarantor on this card.

Your “Credit Score” shall mean the score given to you to determine your credit worthiness by a credit reporting agency chosen by Veridian Credit Union. You hereby consent to Veridian Credit Union obtaining your Credit Score for the purpose of determining for APR. If this card is a non-consumer card, the Credit Score(s) for all personal guarantors on the account will be obtained. If there is more than one borrower or guarantor on your account, the highest credit score will be used to determine your APR.

You may request that we re-assess your Credit Score once per calendar year by notifying us in writing at Veridian Credit Union, Credit Card Department, P.O. Box 6000, Waterloo, IA 50704. Furthermore, we reserve the right to re-assess your Credit Score periodically (not more than once per calendar year) without your formal request. However, we are not required to re-assess your Credit Score without your formal request. The party requesting the re-assessment will be responsible for any fees associated with obtaining the Credit Score. If, once reassessed, your Credit Score would place you in a tier with a different APR under the above table, the rate change will be the first day of the next month and will be effective on your next cycle date. This rate change will affect your outstanding balance, new cash advances and new purchases.

“Prime Rate” shall mean the published reference rate quoted under “Money Rates” in the Wall Street Journal on the 1st day of each month or the first regular business day thereafter. These rates will be rounded up to the nearest 0.25%. The minimum rate will be five and nine-tenths percent (5.90%) and the maximum rate will be eighteen percent (18%).

Our variable rate change will be the first day of the month using the published “Prime Rate” of the previous month. Your rate change will be effective on your next cycle date. This rate change will effect your outstanding balance, new cash advances, and new purchases.

Minimum Payment:

Your minimum payment each statement cycle is 2.50% of the total new balance shown on the last statement, or \$20, whichever is greater. If your total new balance is less than \$20, your minimum payment is the new balance.

If your new balance is more than your credit limit, the minimum payment will be 2.50% of your credit limit, plus the entire amount of your new balance that is over your credit limit.

If you are past due, your minimum payment will be increased by the amount you are past due.

Overlimit Fee:

If the ending principal balance of your account for any day in a billing cycle is more than your credit limit, you will have to pay an overlimit fee of \$15 for that billing cycle. This fee will apply once during a billing cycle.

Replacement Card Fee

If we have to replace a credit card (for example, if the card is lost or stolen) you will be charged a fee of \$5.

Dishonored Check Fee:

If you make a payment on your account with a check that is not paid, the payment on your account will be reversed and you will have to pay a fee of \$27.00. This fee applies only to your credit card account. It is in addition to any fee you may have to pay on your deposit account.

Ownership of the Credit Card:

The credit card remains our property. You agree to surrender all cards issued to you if we ask you to do so, and we may confiscate the card(s) if you do not comply.

Merchant Discretion:

The merchants and financial institutions who are part of the credit card system have the first right to decide whether to allow you to use the card to get money, goods, or services from them. That decision is within their discretion, and we are not responsible to you if they refuse to accept your card.

Changes to This Plan:

We reserve the right to change any and all of the terms of this agreement. For example, we can change the type and amount of the fees we charge, the interest rate, and the minimum payment amount, as well as the other features of this plan.

We will give you reasonable notice of any important changes in the plan; in some cases, the law requires that this notice be not less than 30 days before the effective date of the change.

Financial Statements:

You agree to provide us with periodic financial statements as we may reasonably require.

Default and Remedies:

Any shares, as defined in your membership agreement, may be used to secure payment of your obligations on this account. Additionally, any collateral other than real estate securing other loans at our credit union will also secure this account as well as any property purchased with your credit card(s).

If you fail to make a payment when due, or we reasonably believe that you cannot pay what you owe us (or could owe us under your credit limit), we can cancel your participation in this plan. If we do so, we can immediately demand payment in full of the entire unpaid balance of principal and finance charges. Here are some examples of what would give us this reasonable belief:

- a. Your insolvency,
- b. Your bankruptcy,
- c. Your death,
- d. A money judgement entered against you,
- e. Your default on any other loan with us or another,
- f. Someone brings collection efforts against you (such as garnishment or attachment), or
- g. You fail to supply us with financial statements we request.

If we have to take collection efforts to collect what you owe us, you agree to pay our cost of collection, including our reasonable attorney's fees if we hire an attorney. You agree that 10% of the amount you owe us is the minimum fee for an attorney that would be reasonable, but that a greater amount may be justified as well. Reasonable attorney's fees includes the fees that might be incurred in appellate and bankruptcy proceedings as well.

If Your Credit Card Is Lost or Stolen:

If your card is lost or stolen, report it to us immediately. You may do so by calling us directly at

Credit Card Security 1-(800) 682-6075

or by writing to

**Veridian Credit Union
Credit Card Department
P. O. Box 6000
Waterloo, Iowa 50704**

Additional Limit on Liability for VISA Platinum Cards. Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen VISA Platinum Cards. This additional limit on liability does not apply to ATM transactions, to transactions using your Personal Identification Number which are not processed by VISA, or to commercial cards. VISA Card cannot be used for illegal transactions.

Examine Your Statement:

You must review your statement as soon as possible after you receive it, and report to us any errors or unauthorized transactions. If you do not report any such errors within 60 days of the day we mail the statement with the error on it, you agree to accept the statement as correct. Read the next section as well for the procedure to follow. Your statement will tell you where to send any written notice of errors.

Your Billing Rights:

Keep this notice for future use:

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill:

If you think your bill is wrong or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- a. Your name and account number.
- b. The dollar amount of the suspected error.
- c. Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice:

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to a questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we

must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases:

If you have a problem with the quality of property or services that you purchased with a credit card and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- a. You must have made the purchase in your home state, or, if not within your home state, within 100 miles of your current mailing address; and
- b. The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant or if we mailed you the advertisement for the property or services.

IMPORTANT
INFORMATION
ABOUT VERIDIAN'S
VISA® PLATINUM
CREDIT CARD

